

Question	Answer1	Answer2	Answer3	Answer4	Correct Answer
_____ is a process of accounting for costs.	Financial accounting	Cost accounting	Management Accounting	Shareholders Accounting	Answer2
Cost Accounting is an _____ reporting system.	External	Government	Financial	Internal Production centre	Answer4
A location for which cost is incurred is a _____.	Revenue centre	Cost centre	Profit centre	Production centre	Answer2
Cost which can be identified with the output is called as _____.	Product	Fixed	Direct	Indirect	Answer3
Interest on capital is _____ cost.	Sunk	Direct	Imputed	Indirect	Answer3
Overheads incurred in connection with factory is called _____ overheads.	Office	Factory	Selling	Financial	Answer2
The cost which remains constant irrespective of output is called _____ cost.	Variable	Product	Sunk	Fixed	Answer4
Direct labour and factory overheads is called _____ cost.	Conversion	Direct	Packing	Indirect	Answer1
Direct Labour cost is _____.	Variable cost	Fixed cost	Partly variable	Partly fixed	Answer1
Process of ascertainment of cost is known as _____.	Cost	Cost Reporting	Cost control	Costing	Answer4
Cost behaviour refers to _____.	how cost react to a change in the level of activity	incurred in a manufacturing, trading, or service	Classifying costs as either product or period cost	particular expenses has been incurred	Answer1
Form of specific order costing where work is undertaken to customer's special requirements and each order is comparatively of short duration _____.	Process costing	Batch costing	Job order costing	Process costing Packing material	Answer3
An example of fixed cost is _____.	Material consumed	Depreciation	Factory power	material	Answer2
Which of the following is not a component of prime cost ?	Direct Material	Direct Labour	Direct expenses	Overhead	Answer4

Which of the following is not included in preparation of cost sheet ?	Carriage inward	Purchase returns	Sales commission	Interest paid	Answer4
Semi Fixed costs are also known as _____costs	Variable	Semi - variable	fixed	Cost	Answer2
Prime cost + overheads =	Works cost	cost of sales	Total cost	Cost of production	Answer3
Closing stock of finished goods is valued at _____	Cost of production	Prime cost	Works cost	Total cost	Answer1
Legal expenses are _____	Administration expenses	Selling expenses	Production expenses	Direct expenses	Answer1
Prime cost + Factory overheads is _____.	Works cost	Production cost	Selling cost	Direct material cost	Answer1
Carriage outward is _____.	Administration expenses	Selling expenses	Production expenses	Direct expenses	Answer2
Unproductive wages is _____.	Direct cost	Indirect cost	Selling cost	Administration expenses	Answer2
_____facilitates co-ordination between financial accounts and cost accounts.	Reconciliation	Marginal costing	Standard costing	Budgets	Answer1
The basic principles fo maintaining cost accounts and financial accounts are_____.	Same	not the same	Marginal costing	Standard costing	Answer2
Preliminary expenses are written off in _____Accounts	Cost accounts	Financial accounts	Standard accounts	non standard accounts	Answer2
In Reconciliation Statement, Opening Stock Undervalued in Financial Accounts is	added to the financial profit	deducted from financial profit	ignored	deducted from costing profit	Answer2
In Reconciliation Statement, Overheads Under-recovered in Cost Accounts are	added to the financial profit	deducted from financial profit	ignored	added to the costing profit	Answer1
In Reconciliation Statement, Overheads Over-recovered in Cost Accounts are	added to the financial profit	deducted from financial profit	ignored	deducted from costing profit	Answer2
Profit as per Cost accounts is the same as profit as per financial accounts, in case of _____system of accounts.	Non standard	Standard	Non-integrated	Integrated	Answer4
In Reconciliation Statement, Closing Stock Overvalued in Financial Accounts is	added to Financial Profit	deducted from financial profit	ignored	deducted from costing profit	Answer2

Goodwill is written off in _____ accounts.	Financial	Non standard	Standard	Cost	Answer1	
In Reconciliation Statement, Depreciation Overcharged in Financial Accounts is _____	added to costing profit	deducted from financial profit	added to Financial Loss	deducted from costing profit	Answer4	
_____ facilitates internal control.	reconciliation	Overvaluation	Computation	None of the above	Answer1	
Dividend received is shown in _____ accounts only.	financial	Cost	Balance Sheet	Ignored	Answer1	
Interest on capital reduces _____ profit.	Costing profit	financial profit	Assets	Liabilities	Answer2	
Underabsorption of overheads in costing increases _____ profit.	costing	financial	Assets	Liabilities	Answer1	
Premium on issue of shares is shown in _____ P & L A/c.	Financial	costing	Ignored	Cost sheet	Answer1	
A manufacturing concern, which has adopted standard costing, furnishes the following information : Standard Material for 70 kg. finished products : 100 kg. Price of materials : ` 1 per kg. Actual Output : 2,10,000 kg. Material used : 2,80,000 kg. Cost of material : ` 2,52,000.					b	
Hours 3 per unit Units produced 300	Actual Rate ` 3 per hour	` 10,000 F ` 900 A	` 20,000 F ` 800 F	` 5,000 A ` 450 F	` 15,000 A ` 750 A	a
Consider the following data Standard : 40 hours at ` 2 per hour. Actual : 50 hours at ` 2.20 per hour.	20 A	10 F	20 F	21 A	a	
Standard costing is _____	Method of costing	Technique of Costing	Reconciliation	None of the above	b	
Material cost variance = _____	Standard cost - Actual cost	Actual cost - Standard cost	Actual cost + standard cost	Standard cost + Actual cost	a	
If the selling price per unit is ` 16, the unit variable cost is ` 12 and fixed costs are ` 60,000; the break-even points in units will be	15,000 units	10,000 units	20,000 units	40,000 units	a	
A company has sales of 2,00,000; P/V Ratio is 20% and fixed cost is ` 15,000; the profit will be	` 25,000	` 20,000	` 35,000	` 40,000	a	

Profit 30,000, Marginal cost per unit 8, selling price per unit 10. The M/S will be.	₹ 1,40,000	₹ 1,50,000	₹ 1,25,000	₹ 1,45,000	b	
Profit ₹ 12,000 Margin of safety ₹ 30,000	Fixed cost ₹ 24,000 P/V ratio is	30%	40%	25%	35%	b
S.P. per unit ₹ 10 Fixed cost ₹ 35,000 BEP will be	Variable Cost ₹ 4 If S.P. is reduced by 20% the	₹ 65,000	₹ 70,000	₹ 85,000	₹ 35,000	c
The following figures relate to M/s. Deepak Industries : Fixed Overheads ₹ 2,40,000 Direct Wages ₹ 3,00,000	Variable Overheads ₹ 4,00,000 Direct Materials ₹ 8,00,000	₹ 90,000	₹ 9,60,000	₹ 8,40,000	₹ 8,20,000	b
Margin of safety is ₹ 8,00,000 which is 40% of total sales and Profit Volume Ratio is 30%.	₹ 10,00,000	₹ 20,00,000	₹ 25,00,000	₹ 30,00,000	b	